banks and Chef General Managers in Associate Banks of State Bank of India. Recommendations are made by the Board from out of the panel. However in exceptional cases, particularly when suitable executives are not available from the banking system, Government do appoint officers belonging to the IAS and other services as Chairman and Managing Director of banks, keeping i*n* view the special circumstances obtaining in such banks.

Recovery of Bad and Doubtful Advances of Banks

937. SHRI TRILOKINATH CHATURVEDI :

DR. MURLI MANOHAR JOSHI : Wll the Minster of FINANCE be pleased to state :

(a) what is the estimated amount of bad and doubtful advances made by the nationalised banks as on the 31st March, 1993;

(b) in what manner Government propose to deal with the matter and whether Government propose to revamp the working of all nationalised banks; and

(c) if so, whether the deta'ls in this regard have been worked out ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) In accordance with the statutes governing the nationalised banks as also in terms of the practices and usages customary amongst bankers, the banks do not disclose the quantum of bad and doubtful debts.

(b) and (c) Reserve Bank of India (RBI) have issued detailed guidelines to all public sector banks on write off of bad debtsllosses and compromises with debtors/borrowers. These guidelines identify the issues to be taken into considera-t'on before any amount is written off by the authorities. These guidelines stipulate inter-alia that the authonity which had sanctioned the advance in question should not write off the same. The guidelines also provide that all possible steps should be taken for recovery of the dues. Government has also decided to set up Special Tribunals for recovery of dues of banks and financial institutions.

938. *[Transferred to 13th May,* 1993]

Steps to Check Hawala Trade

939. SYED SIBTEY RAZI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that despite attractive policies of Government such as full convertibility of rupee, Gold Bond Scheme and import of Silver and Gold scheme, hawala trade has been operating without showing any sign of decline;

(b) if so, what are the reasons identified for failure to check hawala trade ;

(c) what is the estimated hawala trade carried out annually; and

(d) what changes in the rules *&* regulations in this regard are contemplated by Government to check such transactions ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY) : (a) to (d) Several indicators like intelligence reports, number of cases detected, spread between the official and market exchange rates point towards a decline in Hawala trade.

It is difficult to estaimate the quantum of Hawala trade, it being a clandestine operation. Apart from enforcement of existing laws and rules, Government has